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RUCPDO/DEPT OF COMMERCE WASHINGTON DC
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C O N F I D E N T I A L SECTION 01 OF 02 DHAKA 000568

SIPDIS

DEPT FOR SCA/INSB, EEB/IFD/OMA, MANILA FOR ADB

E.O. 12958: DECL: 06/06/2019

TAGS: [EAID](#) [EINV](#) [EWWT](#) [PGOV](#) [PREL](#) [BEXP](#) [BG](#)

SUBJECT: BANGLADESH'S AMBITIOUS PLANS FOR TRANSPORT
INFRASTRUCTURE

Classified By: Ambassador James F. Moriarty, Reasons 1.4 (b) and (d)

¶1. (U) See action request, please see paragraph 6.

Summary

¶2. (C) Bangladesh,s Communications Minister, Syed Abul Hossain, has ambitious goals for expanding the country,s bridges, roads and public transportation links, including the completion of a bridge over the Padma (Ganges) river, the world,s third largest river. In a June 2 meeting with the Ambassador, the Minister thanked the United States for its long standing support for various infrastructure projects in Bangladesh from the time of its independence and said the Awami League government would like more U.S. assistance for infrastructure. In particular, Hossain asked for USG help in convincing the World Bank to allow Bangladesh to begin inviting tenders on the Padma bridge project while waiting for the terms of the loan agreement to be finalized. Hossain followed up on his discussion with a letter on June 3, reiterating his request for USG support in the Padma Bridge project. In particular, he also requested USG assistance in extending any necessary cooperation for the high level delegation visiting Washington to meet with World Bank officials from June 22-23.

A bridge over the river Padma

¶3. (C) Bangladesh,s Communications Minister (who is responsible for the nation,s roads, railways and bridges) told the Ambassador that improving the country,s infrastructure would be critical to the overall development of Bangladesh. Furthermore, Hossain added, building the Padma bridge was his Ministry's top priority. According to Hossain, the Prime Minister personally instructed him to finish the bridge during her time in office and told him she would fire him if he did not. He noted that the project was critical to linking the economically underdeveloped southwest with the rest of the country and cutting transportation times. The Minister noted the Padma Bridge initiative began in the first Awami League (AL) government in 1996, but no progress on the project was made during the tenures of the Bangladesh Nationalist Party (BNP) and recent caretaker government.

¶4. (C) According to the Communications Minister, foreign donors like the World Bank, Asian Development Bank, Islamic

Development Bank and Japanese government, have tentatively pledged loans to the Government of Bangladesh (GOB), but exact amounts were not final. He said, the total amount was estimated to be in the range of \$1.5 billion to \$1.9 billion, with the World Bank likely to be the largest financier. Recent media reports stated that the Islamic Development would provide \$130 million and possibly raise its funding to \$300 million. Hossain noted in a letter dated June 3 that a three-member delegation led by the Economic Advisor to the Prime Minister, Mushiur Rehman, would visit Washington June 22-23 for meetings with the World Bank Vice President about this project. The Communications Minister asked for USG assistance in convincing the World Bank to allow the GOB to begin the process of inviting tenders, even while the terms of the loan agreement were being finalized. He added that it was critical not to lose any more time on the project.

Plans for upgrading Bangladesh,s transport networks

15. (C) The Minister added that he favored the construction of a second bridge over the Padma in the future. He also explained his vision for improving the country,s roads and public transportation networks, including an elevated highway around the capital, an underground metro in Dhaka and an expanded railway network throughout the country. He pointed out that after inland waterways, railways were the lowest cost method for transporting goods in Bangladesh. Hossain asked for USAID support in the railway sector, noting that several other donors had come forth with offers of support. In particular, the World Bank reportedly had funds available

DHAKA 00000568 002 OF 002

for regional connectivity among the countries of Southeast Asia. The Ambassador noted that USAID focused less on large-scale engineering and construction projects than previously.

Comment

15. (C) The Communications Minister has laid out a very aggressive transport agenda for the Awami League government. Dogged by allegations of corruption in the past, Hossain appears focused on results. He clearly understands the importance of infrastructure development to Bangladesh,s overall economic development. The Padma Bridge project involves a U.S.-New Zealand design firm, and once completed, will better connect one of the more impoverished regions of Bangladesh with the hubs of Dhaka and Chittagong. Action Request: The USG should support, as far as it is able, the GOB,s efforts to build the Padma Bridge as quickly as possible.
MORIARTY